



DECODING TAX REFORM

Advising the Advisor

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Tax News This Week



Estate Tax Pushback – Last year's Tax Cuts and Jobs Act (TCJA) effectively doubled the estate tax exemption, but D.C. is looking to be the first to push back against the move, which would halve the exemption in the nation's capital.

- [D.C. lawmakers want to undo congressional Republicans' estate-tax break \(Washington Post\)](#)

State Responses – The TCJA gave most Americans cuts in their federal taxes, but it is also setting off tax hikes in States across the country because many State tax codes incorporate parts of the federal code by reference.

- [Federal tax cuts trigger stealth tax hikes in states \(Politico\)](#)

New Jersey just passed an attempt to address the SALT deduction problem by allowing residents to donate to charitable funds and receive tax credits in return, offsetting the loss of State and local tax deductions.

- [New Jersey Legislature passes SALT workaround \(Politico\)](#)

Tax Cuts Phase 2 Will Have to Wait – While the House is still expected to vote on a bill to make the temporary provisions in the Tax Cuts and Jobs Act permanent, that vote will have to wait.

- [House GOP pushes back plans to vote on making individual tax cuts permanent \(CNBC\)](#)

Tax Cut Effects – Americans are still waiting to see the full effects of last year's TCJA. A new analysis of all Fortune 500 companies found that only 4.3% of workers will receive a one-time bonus or wage increase because of the tax cuts.

- [Trump's tax cuts didn't benefit U.S. workers, made rich companies richer, analysis finds \(Newsweek\)](#)
- [Three months into the tax cuts, significant wage gains seem elusive \(Washington Post\)](#)

Rising Deficit – This week, the Congressional Budget Office forecasted that the federal deficit will pass \$1 trillion within the next two years. While Congressional Republicans and administration officials played down the projection, former Federal Reserve Chair Janet Yellen argued that the tax cuts were passed at precisely the wrong time.

- [Years of red ink ahead for federal budget thanks to GOP tax law \(Politico\)](#)
- [GOP dismisses report that tax law will add \\$1.9 trillion to debt \(The Hill\)](#)
- [Yellen and other economists say tax cuts are blowing up the budget \(CNBC\)](#)

Paul Ryan's Exit – Speaker of the House Paul Ryan announced this week that he will not run for re-election in this year's upcoming midterms. His departure injects more uncertainty for Republicans. While some of his colleagues are pushing him to exit early, most appear comfortable with him serving out the term.

- [House Speaker Paul Ryan Won't Seek Re-Election \(WSJ\)](#)
- [GOP faction wants Ryan gone now \(Politico\)](#)
- [Paul Ryan Rejects Giving Up Speaker Post Before January \(WSJ\)](#)

Capitol Hill Club–Don't Wait to Register On-Site!



In efforts to make CHC better than ever, we are asking you to register *before* arriving at the Annual Meeting in April. With advance notice, we can schedule you **more meetings**, have **smaller meeting group sizes**, and provide you in advance with **tools and tips** for meeting with Congressional staff. We will be hosting a series of webinars in April to prepare you and make sure you're ready to share your story with Capitol Hill!

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Questions?

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